Non-payment of crop insurance claims

2433. SHRI GIREESH KUMAR SANGHI: Will the Minister of AGRICULTURE be pleased to state:

(a) the details of crop insurance schemes in place for farmers; and

(b) the details of complaints received from farmers in regard to non-payment of crop insurance, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) National Agricultural Insurance Scheme (NAIS) is under implementation since Rabi 1999-2000 in the country. Main features of NAIS are annexed. Statement (See below).

(b) All the admissible claims under NAIS are settled/paid as per provisions of the scheme. However, some complaints from farmers are received from time to time. Some of the complaints are given below:—

- Farmers of Gujarat, Bihar, Karnataka, Rajasthan etc. have complained from time to time about delayed payment of claims.
- Farmers in various States like Karnataka, Madhya Pradesh, Rajasthan etc. have complained regarding under payment of claims on account of incorrect submission of consolidated insurance proposals to the insurance company.
- Farmers in some States want that loss assessment under the scheme should be made on individual basis.
- Farmers in Gujarat, Maharashtra are not in favour of compulsory coverage of loanee farmers under the scheme.

Statement

Main Features of National Agricultural Insurance Scheme (NAIS)

- Scheme is available to all farmers—loanee and non-loanee both—irrespective of their size of holding.
- Compulsory for loanee farmers and optional for non-loanee farmers.
- The Scheme is voluntary for the States/UTs.
- Sum-insured may extend to the value of threshold yield of the area insured.

- Coverage of all food crops (cereals, millets & pulses), oilseeds and annual commercial/horticultural crops in respect of which past yield data is available for adequate number of years.
- Among the annual commercial/horticultural crops, eleven crops namely cotton, sugarcane, potato, chillies, ginger, onion, turmeric, Jute, tapioca annual banana and pineapple are presently covered.
- Basically all-risk insurance scheme covering all yield losses due to natural, non-preventable risks.
- Premium rates are 3.5% for bajra and oilseeds, and 2.5% for other Kharif crops; 1.5% for wheat and 2% for other rabi crops. In case the rates worked out on the basis of actuarial data are less than the prescribed premium rate, the lower rate will be applicable.
- In case of annua! commercial/horticultural crops, actuarial rates are charged.
- Small & marginal farmers are provided subsidy of 50% of the premium charged from them. The subsidy will be phased out over a period of 5 years on sunset basis.
- To implement NAIS at lower unit of insurance *i.e.* Gram Panchayat within three years.

MSP for wheat

2434. SHRI RAJEEV SHUKLA. Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government have plans to increase the Minimum Support Price for wheat to Rs. 700 per quintal; and

(b) if so, the details of action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) Presently, the Government has no plan to increase the Minimum Support Price (MSP) for wheat to Rs. 700 per quintal. The MSP of Rs. 650 per quintal of wheat has been fixed for the rabi crops of 2005-06 to be marketed in 2006-07.